

Business Insurance

One of the best ways to evaluate your insurance needs is to identify the potential losses that you could incur and insure against them. Consider the following:

- Would the contents of your business be covered if water, fire or lightning damaged your equipment?
- Would you be protected if your data was damaged or lost in an accident?
- What if there was a break-in and your equipment was stolen?
- What if you, an employee or a client was hurt on the business premises?
- What if you had an accident during business hours?

Would your business be able to absorb any of these costs and still continue?

Types of Insurance

Contents insurance

This covers business equipment from a named peril such as fire, flood, burglary, power outage, etc.

Liability insurance

Protects a business from the threat of being sued. It starts at \$1 million. Possible actions could include: negligence, accidents, breach of contract.

Disability insurance

This replaces business income in the event of illness or disability.

Critical illness insurance

Provides a business owner with a one time, tax free lump sum benefit if they are diagnosed with a critical illness.

Key person

Pays out a cash benefit to the employer if a key person dies or becomes unable to perform the essential duties of their job description.

Buy-sell agreement

This is not really a type of insurance but it does protect the business owner by allowing the surviving partner to purchase the shares of the deceased partner which will protect the survivor from a third party entering the business picture.

If you have questions about prices, consult an insurance agent.

For More Information

Books: Business for Beginners: A Simple Step-by-Step Guide to Start Your
New Business 2nd ed. Frances McGuckin